



**COLORADO**

**Department of Transportation**

Division of Transit & Rail

## **Notice of Funding Availability 2020 CDOT Consolidated Call for Capital Projects CDOT Division of Transit and Rail**

September 30, 2019

### **PART 1      Introduction and Definitions**

#### **Introduction**

The Colorado Department of Transportation (CDOT) Division of Transit and Rail (DTR) is issuing a Notice of Funding Availability (NOFA), requesting applications for capital transit projects to be initiated in 2020. This NOFA sets forth guidelines for submitting an application, applicant and project eligibility, evaluation criteria, regulations and processes, and the schedule for this call.

CDOT has over \$34 million available in federal and state funds for transit capital projects. Funds may be used for items defined as capital assets by the Federal Transit Administration (see Part 6 for listing).

If selected for award, CDOT's expectation is that subrecipients will begin implementing their projects no more than six months after the announcement of an award.

Applications are due to CDOT by **5:00 p.m. on Monday, November 18, 2019**. **Applications submitted after this deadline will not be accepted or considered for funding.**

Applications must be submitted through COTRAMS, DTR's online award management system. We strongly recommend that you use Google Chrome when submitting your application.

If you have not received any transit-related funds from CDOT in the past three years, you must complete and submit a **New Applicant Questionnaire to Kenneth Mooney at [kenneth.mooney@state.co.us](mailto:kenneth.mooney@state.co.us)** as soon as possible but no later than **5:00 p.m. on Friday, November 1, 2019**.

Potential applicants are strongly encouraged to read the guidance provided herein.

#### **Definitions**

1. Alternatively-fueled rolling stock (alt-fuel rolling stock): For the purpose of the Settlement Program, this includes vehicles fueled by electric battery, hydrogen fuel cell, and compressed natural gas (CNG) buses that are fueled by renewable natural gas (RNG)
2. Acquisition vehicle: For the purpose of the Settlement Program, the specific alternatively-fueled bus(es) identified to replace the qualifying vehicle(s) of like size,



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capacity, and class. For this round of Settlement Program funding, this definition includes only battery electric buses, hydrogen fuel cell-powered buses, and compressed natural gas (CNG) buses that are fueled using renewable natural gas (RNG).

3. Capital transit asset: Rolling stock, facility, infrastructure or equipment with a useful life of at least one year, and which is eligible for capital assistance.
4. Colorado Beneficiary Mitigation Plan (BMP): The State of Colorado's Beneficiary Mitigation Plan summarizes how Colorado plans to use funds in the Volkswagen Diesel Emissions Settlement Trust (Trust), of which the State of Colorado was designated an eligible beneficiary, including certain categories of eligible mitigation actions determined appropriate to achieve the goals of the Trust. For this CCCP, this definition refers to the 2019 BMP.
5. Closed door service: Refers to transit service that is limited to a particular clientele, such as the participants in a particular program or the residents of a particular facility, as opposed to being offered to the public at large or to any senior or person with a disability.
6. Equivalent vehicle: For the purpose of the Settlement program, a diesel-fueled bus of like size, capacity, and class to the qualifying vehicle identified for replacement, the cost of which is used to calculate the incremental cost
7. Expansion vehicle: rolling stock acquired to add to the agency's existing fleet, where the acquired rolling stock expands the agency's fleet and/or service.
8. Incremental cost: the difference between the cost of an alt-fuel vehicle and an equivalent vehicle not powered by an alternative fuel of like size, capacity, and class -- as related to the incentive formula defined in the BMP.
9. Large Urbanized Area (Large UZA): Census-designated area with a population over 200,000
10. Open door public transportation: Services that are open to any member of the public, in the case of public transportation programs, as opposed to services that are limited to a particular sub-group of the general population.
11. Open door specialized transportation: service available to any elderly or disabled person in need and not limited to a particular clientele or facility.
12. Qualifying vehicle: the specific diesel-fueled bus(es) identified for replacement using Settlement Program funds, which is drivable and has been registered, insured, and **operated** in Colorado for the previous two (2) years (generally from the date of application). **Operated** means three (3) or more preventative maintenance cycles OR



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15,000 or more transit revenue service miles OR 1,250 or more transit revenue service hours amassed during the previous two (2) years.

13. Replacement vehicle: rolling stock acquired to replace existing rolling stock, where the existing rolling stock is replaced and removed from the agency's fleet, or is converted to a spare vehicle when there is a low spare ratio.
14. Revenue vehicle: rolling stock used in providing transit service for passengers.
15. Rolling stock: buses, vans, train cars, gondola cabins, SUVs, and cars, or other passenger vehicles.
16. Rural area (also called non-urbanized area): Census-designated area with a population under 50,000; for the Senate Bill 267 program, rural definition is by county, not Census-designated area.
17. Settlement Program: CDOT's Settlement Transit Bus Replacement Program for alt-fuel vehicles, as defined in the BMP.
18. Small Urbanized Area (Small UZA): Census-designated area with a population between 50,000 and 200,000
19. Spare vehicle: A rolling stock vehicle that it is not normally used in regular revenue service, but, rather, is used as a backup vehicle for those instances when full time vehicles must be removed from regular revenue service for repairs or servicing.
20. Specialized transportation/services: Services specifically designed to meet the transportation needs of elderly persons, persons with disabilities, veterans, low income persons, or others with special needs.
21. Support vehicle: A vehicle operated by a transit agency for a purpose other than passenger revenue services, such as a staff car or a maintenance response truck.
22. Vehicle (Rolling Stock) Overhaul: Rolling stock overhaul is an eligible capital expense as preventive maintenance. Overhauls are usually done to make sure rolling stock reaches its useful life. Overhaul does not extend the useful life of rolling stock. For rolling stock to be overhauled, it must have accumulated at least 40 percent of its useful life.



**PART 2      Funding and Program Information**

Funds are available through several federal and state transit programs administered by CDOT. The table below lists these funding sources and the estimated or anticipated amount available under each.

**Table 1 Available Funding Programs for 2020 CCCP**

<b>Funding Program</b>	<b>Amount Available</b>
<b>FEDERAL PROGRAMS</b>	
<i><b>FTA Section 5310: Seniors and Individuals with Disabilities</b></i>	
Rural 5310 (all areas outside of urban areas)	\$253,000
Small Urban 5310 (Boulder, Grand Junction, Greeley, Longmont, Lafayette/Louisville/Erie, and Pueblo)	\$557,000
<i><b>FTA Section 5311: Rural Public Transit (all areas outside of urban areas)</b></i>	\$1,000,000
<i><b>FTA Section 5339 Formula Program: Bus and Bus Facilities</b></i>	
Small Urban 5339 ((Boulder, Grand Junction, Greeley, Longmont, Lafayette/Louisville/Erie, and Pueblo)	\$1,660,000
Rural 5339 (all areas outside of urban areas)	\$3,649,000
<b>SUBTOTAL</b>	<b>\$7,119,000</b>
<b>STATE PROGRAMS</b>	
<i><b>FASTER</b></i>	



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Local Competitive	\$4,100,000
Urban Area Set-Asides (Denver, Co Springs, Ft. Collins)	\$3,900,000
<i>Settlement Program*</i>	\$5,000,000*
<i>Senate Bill 228</i>	\$2,000,000
Senate Bill 267 ( <b>Rural and Urban</b> )	\$12,000,000
<b>SUBTOTAL</b>	<b>\$27,000,000</b>
<b>TOTAL</b>	<b>\$34,119,000</b>

\*With the recent addition of \$12 million in contingency funds, the Settlement Program now has approximately \$16 million available, expected to be optimally awarded over a period of the next 2-4 years.

CDOT does not administer certain FTA funds. Specifically, Section 5310 and Section 5339 funds for large urban areas are awarded directly by the FTA to the designated recipients of those areas--Mountain Metropolitan Transit, RTD and TransFort. Section 5307 funds are awarded directly to both the three large areas as well as to the six small urban areas (Boulder, Grand Junction, Greeley, Longmont, Louisville/Lafayette/Erie, and Pueblo).

**Below is a brief description of each of the funding programs.**

- **FTA Section 5311** funding is available for general public transportation services in non-urbanized (less than 50,000 population) areas of Colorado.
- **Section FTA 5310** funding is designed to provide capital and operating funding assistance for services designed to meet the needs of seniors and persons with disabilities. Operating and mobility management funds are made available through a separate call for operating projects. Funds are made available specifically for rural, small urbanized areas and large urbanized areas. CDOT only administers the funds for rural and small urbanized areas, and currently for the Denver large urbanized area in cooperation with the Denver Regional Council of Governments.
- **The FTA Section 5339 Formula Program** offers capital funding to public agencies or private nonprofit organizations engaged in public transportation. CDOT administers Section 5339 Formula funding for rural and small urbanized areas. Section 5339 formula



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funds for the state's three large urbanized areas are provided directly by the FTA to the designated recipients in those three areas.

- **State FASTER** Transit funds are offered for public transportation and open door specialized transportation in both rural and urbanized areas.
- **Settlement** funds are made available only for the direct replacement of passenger revenue vehicles that are diesel-fueled. Funds are provided for the purchase of capital assets necessary to replace those vehicles with a zero-emission vehicle--namely, electric battery, hydrogen fuel cell or compressed natural gas (CNG) vehicles fueled by renewable natural gas (RNG). The funds are available for both rural and urbanized areas.
- **State Senate Bill 228** funds in this call are provided only for the purchase of rolling stock replacements, in both rural and urbanized areas, for the purpose of State of Good Repair.
- **State Senate Bill 267** funds are provided for transit-related capital improvements, such as vehicle storage facilities, maintenance facilities, and transit facilities, with a requirement that at least 25% of funds be spent in counties under 50,000 populations.

It is important to note the following:

- FASTER and Section 5310 capital funding for the Denver large urbanized area has already been made available and awarded, in a separate call for capital and operating projects, in April, 2019, during the CDOT/DRCOG Joint Call.
- A separate set-aside of FASTER funds is made to the state's three large urbanized areas: Colorado Springs, Denver and Fort Collins, provided respectively to the FTA's designated recipients--Mountain Metro Transit, RTD and TransFort, for public transportation. Because these areas are guaranteed these funds and do not have to compete for them, they are not eligible to compete for additional FASTER funds for public transportation. Included within these three large urban areas are the cities of Manitou Springs, Fountain, Loveland, most of Berthoud, Tinmath, Windsor, and Denver's suburbs that lie within the large urbanized area. However, providers of open door transportation for seniors and persons with disabilities in the large urban areas of Colorado Springs and Fort Collins are eligible to compete for FASTER funds; providers of such services in the Denver large urbanized area are **not** eligible for FASTER in this call for projects, since those funds were already made available in the separate call for projects mentioned above.
- In the 2019 CCCP, only construction-related projects in rural counties were eligible for Senate Bill 267 funds. For this 2020 CCCP, additional funding has been added, and **both urban and rural projects** are now eligible for SB 267 funds.



### **PART 3      Local Match**

Federal and state funds may be used to fund up to 80% of project costs. All awards require a minimum local match of 20%, with the notable exception of the Settlement program, as detailed later in Part 3. Local match funds must be in cash, except that donated or previously purchased land for a construction project can be used as match if sufficiently documented through a recent appraisal and if not originally purchased with federal funds.

Local match can come from many sources, including state (non-CDOT) or local appropriations, tax revenues, private donations, revenue from service contracts, and income generated from advertising and concessions—provided its use as match is not prohibited or disallowed by that funding source. Local match may also consist of any non-DOT federal funds that are eligible to be expended for transportation. Examples of types of programs that are potential sources of local match include employment, training, aging, medical, community services, and rehabilitation services.

State funds administered by CDOT can be used to match a federal award, providing up to 80% of the required 20% matching funds for the federal award, provided such funds are specifically approved by DTR. The subrecipient must still provide a 20% local match for its state-funded award. This means that the subrecipient will pay only 4% of the total project cost: 80% federal, 16% state (80% of 20%), and 4% local (20% of 20%). Since this type of funding arrangement rapidly draws down available funding and reduces the number of projects awarded, CDOT will carefully assess requests of this type. It is CDOT's intention that state funds be used as local match for federal funds only in situations where worthy projects cannot proceed without the additional capital assistance, due to a specified financial hardship.

CDOT requires written letters of support and commitment from **partners** in a project that will need to make a commitment to the project (e.g., organizations providing some, or all, of the local match, providing land or right-of-way for a project, or agreeing to share a multimodal facility). Applicants should not submit general letters of support, however.

The Settlement program fund does not require a local match and offers an incentive by awarding a portion of the local match required for State and Federal awards.



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#### **PART 4      Application Process**

CDOT offers two types of capital applications through COTRAMS for:

1. **Revenue Service Vehicle** purchase requests.
2. **Other Capital** project requests (which includes non-revenue vehicles such as service vehicles).

Within those two general categories are subcategories into which each project must fit, as follows:

##### A. Revenue Service Vehicles

###### 1) Replacement Vehicles:

- a. Acquire rolling stock to replace existing rolling stock.
- b. Acquire bus(es) fueled by electric battery, hydrogen fuel cell, or RNG to replace diesel-fueled bus(es) under the Settlement Program.

###### 2) Expansion Vehicles:

- a. Acquire rolling stock for fleet and/or service expansion.

##### B. Other Capital Projects

- 1) Facilities, infrastructure, equipment, engineering and environmental studies, planning projects, vehicle overhauls, and service vehicle purchases

One vehicle and one other capital project application will be released to each current DTR subrecipient through COTRAMS. If an applicant plans to submit requests for multiple replacement vehicles, the applicant may bundle those replacement vehicles into one single application; requests for replacement and expansion vehicles, though, must be submitted in two separate applications--one for replacements and one for expansions. **In order to submit multiple applications, you will need to request additional application(s) from Audrey Dakan at [audrey.dakan@state.co.us](mailto:audrey.dakan@state.co.us) or (303) 757-9771.**

**The minimum federal or state capital assistance request amount is \$25,000**, except in cases where an applicant is requesting state funds to be used as local match for federal funds. There is no maximum request, but applicants should take into consideration the amounts available and CDOT's preference to provide some geographic equity.

Applications must be submitted electronically through COTRAMS

(<https://cotrams.force.com/cdotcommunity/login>), CDOT's on-line award management system. If you are a current and active CDOT subrecipient you should have a user ID and password for the website. If you have forgotten your COTRAMS user ID and/or password, or





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need any help accessing COTRAMS, contact system administrator Audrey Dakan immediately ([audrey.dakan@state.co.us](mailto:audrey.dakan@state.co.us)) to reset your login credentials.

If you are **not** a current subrecipient, or have not received transit funds in the last three years, you will need to first complete and submit a **New Applicant Questionnaire** prior to submitting an application. The questionnaire, in MS Word format, is attached to this NOFA. This questionnaire is intended to determine eligibility for federal and/or state funding and ability to meet DTR's threshold criteria for managing funds. This questionnaire will also inform potential applicants of the requirements of DTR funding and indicate which funding programs might be the most appropriate. DTR may also arrange a phone call and possibly an on-site visit so that questions can be answered to make the application process more clear and to allow CDOT to become more familiar with the applicant. If it is determined that you are eligible and meet threshold criteria, you will be given a COTRAMS user ID and password so that you can submit your application in COTRAMS. You'll also be given COTRAMS training. Please fill out the questionnaire and submit it to Ken Mooney ([kenneth.mooney@state.co.us](mailto:kenneth.mooney@state.co.us)) as soon as possible but no later than 5:00 p.m. November 1, 2019, in order to allow maximum time to complete the application.

## **PART 5    Applicant Eligibility**

DTR staff will use the following applicant eligibility guidelines to determine the appropriate funding source(s) for each applicant. However, applicants can state their preference for (or against) a certain source(s) for a particular project(s) in their application(s).

**Federal funds:** Applicant eligibility for FTA funding assistance is defined based on each particular program, as set forth below:

**FTA Section 5310:** Private nonprofit agencies are eligible applicants for projects funded through the Section 5310 program. Public entities are eligible if (a) the public entity has been named by the State (CDOT) as the coordinating body for specialized transportation in their area, or if (b) the public entity certifies there is no available private nonprofit agency providing service.

The specialized services under Section 5310 do not have to be open door, unlike the eligibility criteria for State FASTER funds. However, all things being equal, open door programs will receive a higher priority. Additionally, DTR will not fund "residential" vehicles that are located at housing facilities because they normally have a very limited usage and clientele.

**Section 5311:** Public and private nonprofit agencies, as well as tribal governments, providing public transportation in rural areas.

**Section 5339:** Public agencies or private nonprofit organizations engaged in public transportation. Section 5339 funds for the Denver, Fort Collins and Colorado Springs large



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urbanized areas are administered by their designated recipient of FTA Section 5307 funds, not by CDOT.

#### **State funds:**

**FASTER:** Eligible applicants of local competitive State FASTER funding assistance are local public and private nonprofit entities, as well as tribal governments, that offer public transportation or open-door specialized transportation.

**Settlement Program:** Eligible applicants include local public agencies, private nonprofit entities and tribal governments, but only for the replacement of their Class 4-8 vehicles, which refers to larger buses, starting at Class 4, which is a larger body-on-chassis diesel-fueled bus.

**Senate Bill 267, and Senate Bill 228:** Eligible applicants include local public agencies, private nonprofit entities and tribal governments that offer public transportation, as well as those that offer open-door or closed door specialized transportation.

CDOT will largely determine the eligibility of each applicant project based on the Agency Profile and staff knowledge of each applicant's operation, along with the information provided in the application. Staff will consider funding projects from each of the programs for which an applicant and each project is eligible, subject to availability and scoring of the project. CDOT will consider three service area factors, based on whether an applicant serves a rural area, a small urbanized area or a large urbanized area. If any applicant serves **more** than one of the three areas, it is important that their application point out where each proposed project will serve. For example, "Replacement vehicle 1 will serve both a rural area and a small urbanized area, though most services will be provided in the small urbanized area."

CDOT will also consider three service population factors, based on whether an applicant provides public transportation, open door specialized transportation or closed door specialized transportation. If any applicant serves **more** than one of the three service populations, it is important that their application point out where each proposed project will serve. For example, "Expansion vehicle #2 will be used primarily for closed door specialized services in Madison County, not for our rural public transportation program," or, "The facility will be located in a rural area of Elm County, where we serve the general public, but will also be used by the open door specialized transportation service we provide in Monroe County." Providing this vital information in the Project Description portion of the application will greatly assist CDOT.

Applicants must be prepared to take full responsibility for carrying out the proposed project. Project sponsorship cannot be transferred or reassigned to another agency **without prior written approval from CDOT**. CDOT encourages agencies to collaborate and select the most appropriate applicant agency prior to submitting an application and **not** to assume that CDOT will approve any project sponsorship change.



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## **PART 6    Project Eligibility**

Funds may be used for any items defined as a **capital asset** by the Federal Transit Administration. However, CDOT will **not** accept requests for funding office-related equipment and staff vehicles, **nor** for the leasing of capital assets, **nor** for operating or administrative expenses in this call. Eligible work elements or activities for capital assets, include, but are not limited to, the purchase, acquisition, or construction of:

- Rolling stock (buses, vans, train cars, gondola cabins);
- Design or construction of transit stations, transfer facilities, bus storage and/or maintenance facilities, and other transit facilities;
- Design or construction of multimodal facilities, such as facilities that accommodate some combination of services of multi-regional or statewide significance, such as regional bus service, Amtrak, and Greyhound/intercity bus service;
- Design or construction of Park-and-ride facility improvements;
- Technology improvements that enable enhanced transit services in high priority corridors, including signal prioritization and ITS;
- Technology improvements that significantly improve the coordination of human services transportation by means of mobility management tools such as call centers;
- Wayfinding signage between modes (e.g., signage for intermodal facilities, intercity bus stations, Amtrak, park-and-rides, etc.);
- HOV, HOT, queue jump, and bus pull-out lanes, Bus Rapid Transit projects, and bus lanes;
- Bike racks, lockers and bike parking at multimodal stations;
- Enhanced modal connections, such as trails, sidewalks and bike lanes leading to major transit stations, provided they have a transit connection and enhance transit ridership; and
- Design/engineering and environmental studies, including preliminary or final plans;
- Vehicle overhaul;
- Support vehicles.



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Studies that address operational, marketing, or planning topics should instead seek funding through CDOT's separately-solicited FTA Section 5304 program, which normally offers a maximum award of \$40,000.

For any projects that are related to the design and/or engineering of facilities to be constructed, a Title VI equity analysis or Environmental Justice analysis (through the NEPA process), regarding the impacts of determining the site or location of the facility on minority and low-income persons must be conducted. This analysis should be conducted during the planning stage for any type of building construction, including, but not limited to, vehicle storage facilities, maintenance facilities, and operation centers.

Due to limited funding, CDOT continues to put an emphasis on a fix-it-first approach for traditional funding programs, such as FTA-5310, 5311 and 5339 —that is, giving higher priority to the replacement and overhaul of buses, facilities, and equipment, rather than on new or expansion capital or planning projects. This does NOT mean, however, that expansion or planning projects will not be funded—only that an applicant seeking funding for expansion projects must make a very strong case, with documented justification and evidence of sustainability, in order to be considered. Replacement requests that do not score well on their merits, though, will not be automatically prioritized higher than expansion equipment or facilities that do score well.

In general, project eligibility for the FTA programs and FASTER includes all of the project types listed above. However, the other State programs are limited to certain project types, as set forth below.

Project eligibility for the **Senate Bill 267 program is limited to facility and infrastructure projects that would typically have a useful life of at least 25 years**, such as a facility or park and ride.

Project eligibility for the **Settlement program is limited to the direct replacement of passenger transit vehicles that are diesel-fueled and Class 4 or higher (over 14,000 pounds), with an alternative fuel (electric, hydrogen, or RNG) vehicle**. Also eligible is charging equipment associated with that vehicle(s), as well as reasonable costs associated with installing that equipment. Further details on eligibility are included in Part 13 below.

Project eligibility for the **Senate Bill 228 program is limited to replacement vehicles and can be used in any part of the state**.



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#### **PART 7    Threshold (Minimum) Criteria for Applicants**

Applicants must have the financial and managerial capability and capacity to manage any funds awarded, ensure satisfactory completion of the applied-for project, and be willing and able to follow all federal, state, local, and tribal regulations and guidelines. Applicants must also meet the following minimum criteria:

A.     Legal Standing: Applicants must be registered on the official U.S. Government System of Award Management (SAM) system, SAM.gov, and not be, at the time of award, suspended, debarred, ineligible, or voluntarily excluded from participation in federally-assisted transactions and procurements. If an agency is not registered at the time of application, they must demonstrate their willingness and ability to register with SAM.gov, and provide proof of that registration to CDOT, before they can be awarded funds.

B.     Financial Management and Capacity: Applicants must have financial policies and procedures; an organization structure that defines, assigns, and delegates authority; and financial management systems in place to match, manage, and charge only allowable cost(s) to the award.

Federal, state and Settlement Program funds are awarded on a **reimbursement basis; that is, the subrecipient must incur the project costs upfront and submit sufficient evidence of those project costs to DTR for reimbursement**. Therefore, the subrecipient must have the financial ability and cash flow to incur those costs upfront and wait for reimbursement from CDOT. However, exceptions can be authorized for smaller subrecipients who demonstrate a financial hardship.

C.     Technical Capacity: Applicants must have the capability and resources necessary to operate and manage the award and project on an ongoing basis; ensure conformity and compliance with all applicable federal, state, local, and tribal regulations and guidelines; ensure project schedules, budgets, and performance objectives are achieved; and obtain all necessary prior approvals and/or waivers before incurring costs or taking any actions.

D.     Procurement: Applicants must have its own documented procurement procedures which reflect applicable state, local, and tribal laws and regulations, and conform to applicable federal law and standards at [2 CFR 200.318-326](#).

E.     Timely implementation: Applicants must demonstrate their ability and commitment to implement their proposed project in a timely fashion once funding has been awarded and contracted. It is CDOT's expectation that subrecipients will move promptly to procure and implement their projects. Subrecipients that fail to implement projects on a timely basis may harm their chances for winning awards in future applications.

It is especially important that the above capability and capacity is specifically addressed by applicants that have not previously received funds through DTR or by applicants that have had



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delays or other problems implementing projects awarded funding by CDOT. These agencies should address their financial and award management capability and experience, as well as steps taken to correct any past problems, as appropriate.

## **PART 8     Evaluation Criteria for Applications and Projects**

All applications and projects will be evaluated based on the elements described below. Be sure the answers, information, and supporting documentation provided are relevant, complete, and thorough enough that the nature of the proposed projects (its goals and objectives, purpose, beneficiaries, budget, etc.) is clear and easily understood.

Projects will be evaluated based on the type of project—that is, based on whether they are rolling stock, facilities, equipment or studies, and, further, whether they are replacements or expansions. Please note that the sub-criteria will not be weighted equally and that some will not be pertinent. For example, if a criterion has four sub-criteria, evaluators do not assign 25% weighting to each; they are given flexibility in assigning scores. One exception is on replacement rolling stock scores, where there are metrics for comparing need. Also, some consideration may be given to geographic equity.

Projects will be evaluated using the following metrics:

### **(1)     For Replacement of Revenue Vehicles:**

Metric 1: Vehicles will be scored based on the extent they have reached the minimum useful life established by the FTA and CDOT for that particular vehicle type. The weighting will be 50% age and 50% miles driven. Vehicles which have not reached minimum useful life in either age or miles will not be considered for funding (especially for FTA funds), except as set forth in Metric 2 below.

Metric 2: Vehicles which have not reached minimum useful life in either age or miles will be considered for funding once vehicles meeting Metric 1 have been awarded and there are sufficient state funds. Vehicles which have not reached minimum useful life in either age or miles will be scored based on 40% age, 40% miles, and 20% special considerations. Special considerations will be based on an evaluation of information provided by the applicants, which would include documentable, verifiable, data-based evidence of specific issues, maintenance problems, or other relevant factors related to the need for replacement of the vehicle. Special considerations may be given to applicants with a lower fleet spare ratio.



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**Table 2 FTA and CDOT Rolling Stock Minimum Useful Life Standard**

CDOT Category	Representative Vehicles	No. Seats	Approx. Weight	Price Range	Useful Life Minimum
Heavy-Duty Large Bus	Most models from Gillig, MCI, NABI, and New Flyer	27-40	33,000-40,000 lbs	\$400,000-\$575,000	12 years or 500,000 miles
Heavy-Duty Small Bus	Thomas Transit Liner, Bluebird Q-Bus	26-35	26,000-33,000 lbs	\$230,000-\$375,000	10 years or 350,000 miles
Medium-Duty and Purpose-Built Bus	Champion Defender	22-30	16,000-26,000 lbs	\$85,000-\$200,000	7 years or 200,000 miles
Light-Duty Mid-Sized Bus (Cutaway van chassis with dual rear wheels)	Most BOC vehicles (e.g., Startrans Candidate and Senator; Starcraft Allstar)	16-25	10,000-16,000 lbs	\$60,000-\$75,000	5 years or 150,000 miles
Light-Duty Vehicles	Vans, minivans, SUVs, Sedans	3-14	6,000-14,000 lbs	\$20,000-\$65,000	4 years or 100,000 miles



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(2) For Expansion of Revenue Vehicles:

Metric 1: Demonstrated Need and Readiness: Higher priority will be awarded to projects that clearly demonstrate the need for the expanded service in terms of documented ridership, or needs studies and community support, that demonstrate an effective business case and can demonstrate they are truly ready to implement the expansion;

Metric 2: Special Considerations: Applicants who have a capital replacement plan/asset management plan, who can show strong institutional commitment, and who can show a strong financial commitment, will be given a higher priority.

(3) For Facilities, Design, and Equipment:

Metric 1: Readiness and Demonstrated Timetable: For facilities, higher priority will be given to those have NEPA clearance finalized, at least 30% design completed, and site location selected and purchased. For facilities, design, and equipment, higher priority will be given to applicants with a record of completion of past or existing projects.

Metric 2: Project Purpose, Cost Savings, and Efficiency: Higher priority will be given to those projects that have a high degree of local and regional support, have a well-developed and defensible business case, and support or provide significant transit operational and utilization benefits.

Metric 3: Special Considerations. Higher priority will be given to those projects that demonstrate they were developed in partnership with the local community. In the case of requests for the expansion of existing facilities, higher priority will be applied to projects that demonstrate the need for the facility and for growth in the program it supports. Applicants that adequately demonstrate funding, financial capacity, and capability to sustain the service and project over time will be also be given higher priority.





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#### (4) For Planning Studies

Metric 1: Project Purpose and Demonstrated Need: The project does not qualify for FTA Section 5303 or 5307 (in urbanized areas) or 5304 funding, is relevant to other transit agencies in the state, has been vetted with the local transit provider, and the study is ready to proceed upon award.

The evaluation criteria for the new Settlement program varies slightly, putting more of an emphasis on the alternative fuel planning and capabilities of the applicant. These are outlined in Part 12 below.

For the SB 267 program, the following evaluation criteria are considered, **in addition to those** described in (3) above. They are as follows:

1. Project Readiness – The project has already undergone a significant level of planning and is ready to proceed in the short term and complete construction in approximately 3 years.
2. Strategic Nature – Project is of regional or statewide significance or is part of a statewide programmatic need.
3. Planning Support – The project is supported by relevant planning documents (e.g., Transit Development Program, Intercity Bus Plan, corridor NEPA documents, local plan documents)
4. Statewide Transit Plan Goal Areas – Supports statewide plan goal areas of system preservation and expansion, mobility/accessibility, transit system development and partnerships, environmental stewardship, and economic vitality.
5. Expected Life - The project results in a facility or infrastructure asset that carries an expected life cycle longer than the SB267 financing term of 25 years.
6. Supports Statewide System – Supports a statewide transportation system, with consideration of transportation needs throughout the region and the state.

Other factors that may be taken into consideration when evaluating projects are:

- extent to which a project will serve minority and low-income persons; and
- equitable geographic distribution of project funds across the state.



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#### **PART 9     Selection Methodology**

DTR staff will evaluate and score applications for replacement vehicles. A selection committee made up of CDOT staff (DTR, DTD, the Policy and Government Relations Office, Office of Civil Rights) will evaluate and score applications for expansion vehicles and other capital projects. Applications for Settlement Funding will be reviewed and evaluated by a secondary selection committee made up of representatives from State agencies on the intra-agency Settlement Fund steering committee, including, but not limited to, the Colorado Department of Public Health and Environment (CDPHE), CDOT, Regional Air Quality Council (RAQC), and Colorado Energy Office (CEO). This selection committee will review only the applicants' alternative fuel implementation plans and make recommendations for vehicles and related charging equipment awards. DTR may also solicit input from CDOT's Region Planners regarding infrastructure, planning, and large capital purchase projects; applicants are strongly urged to discuss their projects with their Region Planner.

A recommended project list will then be presented to the DTR director for approval. After approval, DTR will issue Award Letters for selected projects in COTRAMS to the agencies for review and acceptance. Once all Award Letters are accepted and returned to DTR, DTR will publicize the project list to all applicants, and DTR and the Regions will take all steps necessary to set up and budget projects. Then, DTR and Region staff will begin statement of work and contract negotiations with the awarded subrecipients. State-funded contracts cannot be executed before the start of Fiscal Year 2021 (July 1, 2020) unless a project is budgeted with funds from a prior fiscal year.

#### **PART 10    Application Protest**

All applicants, including those not awarded funding, will be notified of funding award decisions, including those not awarded funding. DTR will publicize the award list of projects that were selected, as well as, for transparency purposes, comments indicating the primary reason(s) an application or project may have received an insufficient score. If an application is denied, the grounds therefore will be given to the applicant.

The Department (CDOT DTR), recognizing the substantial financial impact its grant programs can have on organizations and individual applications, will provide applicants with the right to protest a grant denial or award amount decision of DTR. This right is provided in order to ensure the proper administration of the Division of Transit and Rail programing, encourage thorough review of applications and denials, promote a transparent exchange of information, and provide an opportunity to applicants to avail themselves of the Department. The Department fully recognizes the important implications of its grant funding decisions, and it is the Department's firm belief that applicants whose requests are denied or whose award



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amounts are reduced should have the opportunity for further review and consideration by the Department.

For this reason, the Department hereby provides all applicants who have had an application for a grant denied or reduced the opportunity for further consideration and review, followed by a final agency decision. To exercise this opportunity, applicants must, within 30 days after receipt of the formal grant notification:

- Send a protest letter to the Director of the Division of Transit and Rail at the following address: 2829 W. Howard Ave., Denver, CO 80204.
- State in the subject line of the letter that it is a protest of a grant decision requiring a response within 45 days. (This ensures Department staff are aware of the immediacy of the letter.)
- Clearly state in the letter the application to which it applies and the grounds for protest.

While the Department does not want to unnecessarily burden applicants with what to include in their protest letter, these requirements and procedures ensure the Department timely receives the protest and has sufficient information to meaningfully evaluate the decision. The Department shall have no obligation to respond to any letter which fails to conform to the above requirements.

Upon receipt of the protest letter, the Director of the DTR may contact the applicant to discuss the matter further. If the Director of the DTR and the applicant are unable to resolve the issue upon contact, the Director of the DTR will refer the protest to the Chief of the Office of Innovative Mobility. The Chief of the office of Innovative Mobility will consult with appropriate executive management on the matter and will, thereafter, issue a letter containing the final decision of the agency on the issue. Unless extended by agreement of the Department and the applicant, The Chief of the Office of Innovative Mobility shall issue a final agency decision no later than 45 days after the Department's receipt of the protest letter.

Applicants are encouraged to continue applying for any grants for which they may be eligible in the meantime.



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#### **PART 11      Nondiscrimination**

The Colorado Department of Transportation, in accordance with the provisions of Title VI of the Civil Rights Act of 1964 (78 Stat. 252, 42 U.S.C. §§ 2000d to 2000d-4) and the Regulations, hereby notifies all bidders that it will affirmatively ensure that any contract entered into pursuant to this advertisement, disadvantaged business enterprises will be afforded full and fair opportunity to submit bids in response to this invitation and will not be discriminated against on the grounds of race, color, or national origin in consideration for an award.

All subrecipients of CDOT-administered transit grants are required by the FTA to have submitted to CDOT various Civil Rights documents. In particular, if awarded funding, agencies must submit a Title VI Civil Rights Non-discrimination Plan that conforms to the FTA requirements in Circular [FTA C 4702.1B](#). This also includes a Limited English Proficiency (LEP) Plan describing how you plan to provide language assistance services.

Subrecipients of CDOT-administered transit grants that employ 50 or more transit-related employees or requested/received over \$1 million in operating/capital or over \$250,000 in federal transit planning funds in the previous federal fiscal year are required to have submitted to CDOT an Equal Employment Opportunity (EEO) plan that conforms to the requirements in Circular [FTA C 4704.1A](#).

Questions about civil rights can be directed to Anna Marriotti at [anna.marriotti@state.co.us](mailto:anna.marriotti@state.co.us) or (303) 757-9493.

#### **PART 12      Schedule**

Following is the schedule CDOT will generally adhere to for the CY 2020 project selection process.

Phase	Application/Evaluation/Selection Milestone	Due Date
Notice & Application Development	Call for projects officially broadcast by DTR	9/30/2019
	Applications Due to DTR via COTRAMS	11/18/2019



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Review, Scoring & Selection	<p>Initial application screening (subrecipient eligibility and threshold criteria/project eligibility) by DTR</p> <p>Applications evaluated by review committees</p> <p>DTR conducts conference call with each CDOT Region regarding major projects within their jurisdiction</p> <p>DTR completes scoring and prepares list of recommended projects; final scores and recommendations submitted to DTR Director</p>	02/15/2020
Award Discussion & Approval	<p>DTR develops list of recommended projects and consults with CASTA regarding the proposed selections</p> <p>DTR Director approves awards</p> <p>DTR issues Award Letters for selected projects</p> <p>Subrecipients review and accept or decline awards</p> <p>DTR creates awards in COTRAMS; DTR and Regions work with subrecipients to draft statements of work</p>	Mid-February 2020  Early March 2020
Budgeting and Programming	<p>TIP / STIP policy amendments</p> <p>CDOT Business Offices creates project budgets</p> <p>Scope of work drafting, negotiations with local agencies initiated by DTR, Regions</p>	Mar-Apr 2020
Subaward Agreements	<p>DTR and Regions finalize subaward agreements/IGAs.</p>	May-Sept 2020



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## PART 13 Additional Guidance for Settlement Program

### What are the Settlement Funds?

An automobile manufacturer has agreed to settle allegations that it violated the federal Clean Air Act by selling vehicles that emit more air pollution than the Clean Air Act allows, and by falsifying federal emission tests to hide the excess pollution. Because the affected vehicles exceed emission limits for a pollutant that harms public health and forms ozone or smog, the manufacturer has agreed to place funds in a national trust fund, referred to hereinafter as the Trust funds, that can be used for a variety of purchases intended to mitigate those harmful pollutants.

States have been awarded Trust funds. CDOT DTR expects to receive, over a period of about five years, approximately \$30 million (roughly 43% of the State's total funds). In the first year of the Settlement Program, eligibility for CNG and propane were included, however in February 2019 Governor Polis issued Executive Order B 2019-002 directing the state agencies managing the Trust funds to direct all remaining dollars to zero-emission vehicle replacements (i.e. electric, hydrogen, or CNG fueled by Renewable Natural Gas) rather than other alternative-fuel types. In Colorado, for improved efficiency, funding will flow through existing programs. DTR will use Trust funds for replacement of diesel-fuel buses with alternative-fuel buses in its Settlement Transit Bus Replacement Program (Settlement Program) Funds will be awarded statewide without any geographic targets or quotas, though CDOT will attempt to achieve some equitable geographic distribution.

### What kinds of projects are eligible?

Settlement Program funds are intended for the direct replacement of passenger transit vehicles that are diesel fueled and Class 4 or higher (over 14,000 pounds). The funds can be used for the purchase of alt-fuel rolling stock. Settlement Program funds cannot be used for the replacement of existing alt-fuel rolling stock, since that would not produce an air quality improvement, and cannot be used to purchase hybrid vehicles, though alt-fuel vehicles may be awarded to **replace** existing hybrid diesel vehicles.

CDOT will use Settlement Program funds only for the **incremental** cost of an alt-fuel vehicle. That is, for example, for the purchase of a 40-foot coach, Settlement Program funds can only be used for the cost exceeding the normal cost of a diesel-fueled 40-foot coach (the equivalent vehicle). However, applicants for Settlement Program funds can request federal or state funds in their CCCP application to cover the cost equivalent of a diesel-fueled vehicle—though CDOT is not guaranteeing the award of such funds.

In the current round of the Settlement Program, only electric battery, hydrogen fuel cell, and CNG buses fueled by renewable natural gas (RNG) are eligible to replace a diesel-fueled bus. The applicant must provide proof that the CNG bus requested will be fueled using RNG. This



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verification may take the form of an RNG purchasing agreement or some other mutually-determined documentation considered acceptable by CDOT DTR.

#### Other eligibility criteria include:

- Only engine model year 2009 or older, Class 4-8 diesel, or hybrid diesel transit vehicles may be replaced.
- Public, private, for-profit, and nonprofit fleets are eligible so long as they meet all applicable eligibility requirements.
- Following acceptance of the replacement alt-fuel vehicle, the vehicle identified for replacement must be scrapped (i.e., the vehicle's frame rails must be cut completely in half and a 3-inch hole must be cut in the engine block) for each new alt-fuel vehicle receiving Settlement funding. CDOT must be given the opportunity to witness the scrapping procedure or given other acceptable evidence of such.
- Vehicles identified for replacement must be drivable and must have been registered, insured, and operated in Colorado for the previous two years (to ensure that the program achieves real emission reductions and to prevent abuse). CDOT may request evidence of the vehicle's maintenance records as proof of this.
- The Settlement Program is limited to new vehicle replacements and cannot be used to fund engine repowers of used vehicles or for non-OEM conversion kits. Conversions by manufacturers
- If Settlement Program funds are awarded for a new electric bus, charging equipment associated with that bus(es) may also receive Settlement funds, in an amount not to exceed \$100,000, with no local match required. The funds can be used for the charging equipment as well as reasonable costs associated with installing that equipment, such as underground utility work, building modifications to accommodate the equipment, etc.
- Settlement funds cannot fund CNG- or hydrogen-fueling infrastructure.

#### How will CDOT DTR award the Settlement funds?

DTR will use a combination of existing funds and Settlement Program funds to incentivize the purchase of alt-fuel rolling stock. DTR will fund 110% of the incremental cost of new alt-fuel rolling stock and **may** also fund 80% of the cost of an equivalent diesel-fueled vehicle with CDOT-administered federal or state funds. By providing 110% of the incremental cost, CDOT is essentially reducing the local match amount that would have been required for the equivalent diesel-fueled vehicle award. However, as pointed out above, CDOT cannot guarantee that it will award both Settlement and the equivalent diesel-fueled vehicle funding. See the tables below for examples.

There are three basic funding scenarios, as outlined below that could occur with this mix of federal/state and Settlement Program funds:



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- A. An applicant requests and receives both Settlement Program funding for the alt-fuel vehicle(s) and federal or state funding for the equivalent “base” vehicle amounts.
- B. An applicant requests and receives Settlement Program funding for the alt-fuel vehicle(s) but does not receive federal or state funding for the equivalent “base” vehicle(s) requested--or which may not have been requested in the first place.
- C. An applicant requests both Settlement Program funding for the alt-fuel vehicle(s) and federal or state funding for the equivalent “base” vehicle amounts but is only awarded federal or state funding for the equivalent “base” vehicle amount. In such a case, the applicant can either decline the award, proceed with purchasing a diesel-fueled vehicle, or use other funding to pay for the incremental cost of an alt-fuel vehicle.

It will be important for applicants to respond to questions in the application regarding how they would proceed if some of these scenarios were to result.

The two tables below illustrate the first two scenarios and calculations showing the potential amount of awarded Settlement Program funds and the resulting local share for RNG and electric battery vehicles. In each scenario, the equivalent 40-foot diesel-fueled bus is estimated to cost \$500,000, an RNG-fueled bus is estimated to cost \$600,000, an electric battery bus is estimated to cost \$800,000, and the electric battery bus charging equipment is estimated to cost \$80,000.

For any questions regarding Settlement Program please contact Michael King at (303)-757-9997 or [michael.king@state.co.us](mailto:michael.king@state.co.us).





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**Table A: Settlement Program Funding Examples with State or Federal Award**

	RNG Bus		Electric Bus and Charging Equipment	
Total Alt Fuel vehicle cost	\$600,000 RNG bus cost	\$600,000	\$800,000 electric bus cost	\$ 800,000
Electric charging cost	N/A		Electric charging equipment \$80,000	\$ 80,000
Equivalent vehicle cost	Estimated diesel- fueled 40-ft bus cost of \$500,000		Estimated diesel- fueled 40-ft bus cost of \$500,000	
Federal/State award for "base" equivalent vehicle	\$500,000 times 80% Federal/State share = \$400,000		\$500,000 times 80% Federal/State share = \$400,000	
Settlement award	Incremental bus cost (\$600,000 minus \$500,000) times 110% = \$110,000		Incremental bus cost (\$800,000 minus \$500,000) times 110% = \$330,000, plus 100% of \$80,000 charging cost = \$410,000	
Total CDOT awards	Federal/State award \$400,000 plus Settlement award \$110,000 = \$510,000	\$510,000	Federal/State award \$400,000 plus Settlement award \$410,000 = \$810,000	\$810,000
Applicant local share	Alt Fuel vehicle cost \$600,000 minus Total Awards \$510,000 = \$90,000	\$ 90,000	Alt Fuel vehicle cost \$800,000 plus charging cost \$80,000 minus Total Awards \$810,000 = \$70,000	\$ 70,000



**Table B: Settlement Program Funding Examples without State or Federal Award**

	CNG Bus Funding		Electric Bus and Charging Equipment	
Alt Fuel vehicle cost	\$600,000 RNG bus cost	\$600,000	\$800,000 electric bus cost	\$ 800,000
Electric charging cost	N/A		Electric charging equipment \$80,000	\$ 80,000
Equivalent vehicle cost	Estimated diesel- fueled 40-ft bus cost of \$500,000		Estimated diesel- fueled 40-ft bus cost of \$500,000	
Federal/State award	N/A	\$ -	N/A	\$ -
Settlement award	Incremental bus cost (\$600,000 minus \$500,000) times 110% = \$110,000	\$110,000	Incremental bus cost (\$800,000 minus \$500,000) times 110% = \$330,000, plus 100% of \$80,000 charging cost = \$410,000	\$410,000
Applicant local share	Alt Fuel vehicle cost \$600,000 minus Total Awards \$110,000	\$ 490,000	Alt Fuel vehicle cost \$800,000 plus charging cost \$80,000 minus Total Awards \$410,000 = \$470,000	\$ 470,000

#### Evaluation Criteria

As with other replacement vehicle requests, age, mileage, and condition will be key factors in evaluating applications. However, another important part of the review of applications will be the applicant's demonstrated capacity to implement and operate alt-fuel vehicles within their fleet, particularly if it is for an electric bus. For example, applicants will be asked to describe their long-term alt-fuel vehicle plan and timeline for implementation, their agency's operational considerations, plans for power delivery, the agency's related financial plan, and other pertinent planning activities. It will be important for those who propose to use electric vehicles for the first time to address the issue of demand charges, electricity costs, the potential for necessary facility upgrades, and other factors not related to the rolling stock itself in order to demonstrate a full understanding of the broader transition needed for successful implementation.